



October 5, 2012

Ms. Sandra J. Paske
Secretary to the Commission
Public Service Commission of Wisconsin
610 N. Whitney Way
Madison, WI 53705

**APPLICATION OF WISCONSIN PUBLIC SERVICE
CORPORATION FOR AUTHORITY TO ADJUST
ELECTRIC AND NATURAL GAS RATES**

DOCKET 6690-UR-121

Dear Secretary Paske:

Clean Wisconsin hereby submits its comments on the Settlement Proposal filed today by Wisconsin Public Service Corporation (WPSC) in the above-captioned docket, pursuant to the September 28, 2012 motion filed in this docket (PSC REF# 173224).

WPSC's proposal does not address the contested issue of the net metering tariff in this proceeding and therefore cannot be treated as a full and complete disposition of the issues. By this letter, Clean Wisconsin opposes the settlement.

Clean Wisconsin supports the use of net metering tariffs in Wisconsin and urges this Commission to consider the impacts of WPSC's net metering tariff on the development of small-scale renewable energy installments within WPSC's service territory. Specifically, Michael Vickerman submitted testimony in this proceeding on behalf of RENEW Wisconsin that very clearly lays out the fundamental problems with WPSC's current net metering tariff and suggests straightforward and cost-effective changes to the tariff design that would improve WPSC's program by increasing the incentive to participate and ultimately result in increased renewable energy resources in Wisconsin – all at a minimal cost to WPSC.

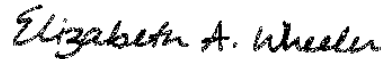
Unfortunately, WPSC's Settlement Proposal ignores the issue of the net metering tariff altogether and seeks to postpone any consideration of the issues associated with it until the next full rate case (see Settlement Proposal at ¶12). The Proposal also requests authorization to file a limited rate reopener in 2013 for 2014 gas and electric operations (see Settlement Proposal at ¶13 cc.). This means that under the Settlement Proposal, the issues raised by RENEW with regard to the Company's net metering tariff will not be considered until 2014 or implemented until 2015 at the earliest. This delay is unreasonable, and creates a significant lost opportunity cost to WPSC's

service territory and the State of Wisconsin for development of small-scale, distributed renewable energy.

As shown in Mr. Vickerman's testimony, by simply aligning WPSC's net metering tariff with tariffs already in place through Madison Gas and Electric and Northern States Power and as proposed by Wisconsin Electric Power Company, WPSC's net metering program can be vastly improved, resulting in a potential net addition of solar capacity of 300 kW over two years. Without this change to the program, a 50% reduction in potential net addition of solar capacity can be expected. (Vickerman Direct Testimony, p. 9-10,12).

For the foregoing reasons, Clean Wisconsin opposes the Settlement as proposed by WPSC. Accordingly, Clean Wisconsin respectfully requests that the Commission require WPSC to remedy the net metering tariff according to Mr. Vickerman's testimony filed in this case as a condition to the settlement agreement.

Sincerely,



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